

**Student Learning Outcomes Committee 2008
Department/Program Assessment Results Report**

Department: Finance Degree: MSBA Degree with a Concentration in Financial
And Tax Planning

Date Submitted March 25, 2008

The purpose of this report is to communicate the assessment activities that have taken place during the last academic year, as well as to convey how the results are being used *to improve student learning at the program level*. The report should be kept as succinct as is possible, while answering the following questions clearly and conscientiously:

I. Working from your assessment report of last year, please discuss some changes made or strategies implemented in response to last year's results.

Last year it was recommended that "because graduate students in the class (FIN 589) and undergraduate students in the class (FIN 589) found different material difficult, it may be appropriate to split the class between graduate and undergraduate students (i.e., change 589 into 389 and 689)." Although the method proposed was not used, it was effectively established by altering the nature of FIN 657, Financial Counseling, to teach the material of FIN 589, Personal Financial Planning, at a graduate level. So, effectively, FIN 589 will be *almost* exclusively for undergraduate students and FIN 657, Financial Counseling, will be exclusively for graduate students, allowing the instructor to focus on the different needs of these two groups of students. After Spring 2009, the department will consider if it wants to request a renumbering of FIN 589 to FIN 489.

II. Drawing upon the goals and objectives contained in the department/program student learning assessment plan, what was the focus of the department's student learning assessment for the past academic year?

A. This section should list the student learning goals and objectives that were the focus for the report year (selected from your complete set of goals and objectives).

Goal 2: Develop a Financial Plan

Learning Outcomes:

1. Evaluate the economic and demographic environment to understand how it may affect clients' plans, including current and anticipated--
 - Interest and inflation rates
 - Expected rates of return
 - Mortality
2. Help clients identify elements of risk they face and select appropriate means of dealing with them. These elements of risk include:
 - Insurable risks (life, health, property, liability)
 - Portfolio risks (optimizing investment portfolios)
 - Hedgeable risks (use of derivatives to control risk)
3. Evaluate investment choices (securities and real assets) and select the most appropriate choices from among various investment and insurance alternatives in order to help clients achieve specific goals.
4. Understand personal taxation and its affect on all the above strategies including the selection of those strategies that optimize a client's after-tax well being.
5. Understand the legal alternatives with regard to choices of means in the transfer of wealth between generations and the use of gifts. Evaluate which optimizes the client's well being.
6. Aid both clients and firms in the selection of optimal choices among employee benefit alternatives.

See note below with regard to 4-6.

- B. It would also be helpful to note here the student learning goals and objectives that you intend to assess during the next year.

Goal 3: Prepare to operate a financial planning practice

Learning Outcomes:

1. Evaluate and resolve ethical dilemmas facing financial planners.
2. Recognize the legal and regulatory constraints within which planners operate.
3. Determine the appropriate business form for operating a financial planning practice.
4. Evaluate financial planning software

Goal 4: Specialty Goals (CFA, EA)

Learning Outcomes:

1. Evaluate individual security characteristics and build portfolios at a level sufficient for a Professional Analyst (CFA).
2. Prepare taxes and provide tax advice by selection of alternative strategies at a level of the Enrolled Agent (EA).

Also, Goal 2, Learning Objectives Four, Five and Six were not adequately assessed in 2007-8 as planned (see below). The results were of such limited value we have postponed them into 2008-9.

III. What information was collected, how much, and by whom?

- A. This section should briefly describe the methodology used to examine the targeted goals and objectives. Please attach relevant scoring rubrics, surveys, or other materials used to examine student learning to the back of the report, as Appendices.

Goal Two, Learning Outcome One. Evaluate the economic and demographic environment to understand how it may affect clients' plans, including current and anticipated--

- Interest and inflation rates
- Expected rates of return
- Mortality

This learning outcome was measured by components required in the "real" financial plan prepared by students in FIN 589 (to be FIN 590, starting next year). There were eleven students in the class. The methodology was to evaluate their performance on this function and classify it into: Inadequate, Adequate or Superior. Adequate met the standard but lacked possible depth of analysis.

Goal Two, Learning Outcome Two. Help clients identify elements of risk they face and select appropriate means of dealing with them. These elements of risk include:

- Insurable risks (life, health, property, liability)
- Portfolio risks (optimizing investment portfolios)
- Hedgeable risks (use of derivatives to control risk)

This learning outcome was measured in the context of FIN 522 and FIN 652. Selected multiple choice, and true false questions were imbedded in the final exams of these two courses. Also, class presentations were used to assess outcomes related to the use of property and liability insurance. In the latter case the instructor evaluate the outcome based upon the content of the class presentation.

For Life Insurance Risk: Average of score for 22 True/False exam questions and 3 computation questions on life insurance

For Health Insurance Risks: Average score of 37 True/False exam questions and 20 computational question on health insurance and Medicare

For Property and Liability Risks: Average score on 38 questions & presentations on property and liability insurance

For Portfolio Risk: Average of 9 exam questions on portfolio optimization

For Hedgeable Risk: Average of 8 exam questions on derivatives

Goal Two, Learning Outcome Three.

Evaluate investment choices (securities and real assets) and select the most appropriate choices from among various investment and insurance alternatives in order to help clients achieve specific goals.

This learning outcome was measured in the context of FIN 652. Multiple choice, and true false questions were imbedded in the final exam and a portfolio project was used during the semester.

Both the average of 16 exam questions on stocks and bonds and a project wherein students were asked to suggest an optimal investment portfolio and support this recommendation quantitatively were used.

Goal 2, Learning Objectives Four, Five and Six were not adequately assessed in 2007-8 as planned. One reason for this failure was that in one case several essay questions were added to a final exam and it was indicated that the results were not part of the students' grade. As a result the students didn't take the essay seriously and it measured nothing other than their lack of motivation. The results were of such limited value we have postponed the assessment into 2008-9. In two cases the instructor failed to save the required test results.

IV. What conclusions were drawn on the basis of the information collected?

- A. This section should briefly describe the results (in summary form) in regard to how well students have met the targeted goals and objectives. For example, what percentage of students met the objectives? Is this a satisfactory level of performance? What areas need improvement?
- B. Whenever it is possible to do so, please organize and present collected data by way of tables and/or graphs. [Note: the committee expects and welcomes both quantitative and qualitative data, so this suggestion should not be construed as seeking quantitative data only.] Above

Goal Two, Learning Outcome One.

Evaluate the economic and demographic environment to understand how it may affect clients' plans, including current and anticipated--

- Interest and inflation rates
- Expected rates of return
- Mortality

The results of this assessment were as follows:

Inadequate	3	27%
Adequate	7	63%
Superior	1	10%

It was felt that this represents an unsatisfactory level of performance. In an undergraduate setting a modal response of "Adequate" may be acceptable, however in graduate classes it is expected that a higher level than "Adequate" should be achieved by most students. The measure is made on a section of a comprehensive project. The instructor felt that his expectations were not sufficiently specified to students and as a result, although most students completed the assignment successfully, they did not strive for the excellence normally associated with graduate students. Thus the issue, it was felt, was that students were not clear on the depth of presentation expected. Students did include sufficient information to evaluate the likelihood they understood the concepts involved. However, they failed to excel in the requirement that they explain these concepts clearly to their "clients"

Goal Two, Learning Outcome Two

Learning outcome	Topic	Questions/Source	Average
Insurable risks (life, health, property & liability)	Life insurance	Average of score for 22 True/False exam questions and 3 computation questions on health insurance	87%
Insurable risks (life, health, property & liability)	Health insurance	Average score of 37 True/False exam questions and 20 computational question on health insurance and Medicare	89%
Insurable risks (life, health, property & liability) and	Property and liability insurance	Average score on 38 questions & presentations on property and liability insurance	95%
Portfolio risks (optimizing investment portfolios)	Optimal portfolios	Average of 9 exam questions on portfolio optimization	83%
Hedgeable risks (use of derivatives to control risks)	Derivatives	Average of 8 exam questions of derivatives	73%

Goal Two, Learning Outcome Three

Learning outcome	Topic	Questions/Source	Average
2 – Portfolio risks (optimizing investment portfolios)	Optimal portfolios	Project: Students were asked to suggest an optimal investment portfolio and support this recommendation quantitatively	90%
3 – Evaluate investment choices	Stocks and bonds	Average of 16 exam questions on stocks and bonds	89%

As the above Tables indicate, students' performance was above determined levels (70%) and therefore the indications are positive that measured learning outcome was met in a satisfactory manner.

V. How will the information be used to inform decision-making, planning, and improvement?

- A. This section should describe the strategies that will be implemented for program improvement as a result of the conclusions drawn from the assessment activities.
- B. The program change may pertain to curricular revision, faculty development, student services, resource management, and/or any other activity that connects to student success

Goal Two, Learning Objective One. It was recommended that the instructor more clearly specify his expectations on this segment of the financial plan. Additionally, the instructor should increase class discussion regarding this LO and provide examples that students could use to model this objective. It was difficult to assess whether students lacked the skills necessary to complete the goal or whether they were not motivated to do a comprehensive analysis. The instructor was asked to report informally to the assessment committee if these steps were sufficient next year and formally if they were not.

Goal Two, Learning Objectives Two and Three. It was felt that these learning objectives were met adequately and no specific changes were necessary.

Goal Two, Learning Objectives Four, Five and Six. The data was not accurately gathered or was not judged to be meaningful. These objectives will be measured again next year. It was decided by the assessment committee that a letter should be written each Spring to each faculty member involved in the upcoming years assessment to appraise them of their responsibilities to report specific results.

Report completed by: T Warschauer, Marie Eve LaChance

Date: March 25, 2008

Appendix: Assessment Targets for 2007-8

Goal 2: Develop a Financial Plan		
<p>Learning Outcomes:</p> <ol style="list-style-type: none"> 1. Evaluate the economic and demographic environment to understand how it may affect clients' plans, including current and anticipated-- <ul style="list-style-type: none"> • Interest and inflation rates • Expected rates of return • Mortality 2. Help clients identify elements of risk they face and select appropriate means of dealing with them. These elements of risk include: <ul style="list-style-type: none"> • Insurable risks (life, health, property, liability) • Portfolio risks (optimizing investment portfolios) • Hedgeable risks (use of derivatives to control risk) 3. Evaluate investment choices (securities and real assets) and select the most appropriate choices from among various investment and insurance alternatives in order to help clients achieve specific goals. 4. Understand personal taxation and its affect on all the above strategies including the selection of those strategies that optimize a client's after-tax well being. 5. Understand the legal alternatives with regard to choices of means in the transfer of wealth between generations and the use of gifts. Evaluate which optimizes the client's well being. 6. Aid both clients and firms in the selection of optimal choices among employee benefit alternatives. 	<p>2007-8</p>	<p>LO 1 Fin 657 – “Real” Financial Plan (Completed Spring 07)</p> <p>LO 2 Fin 522 - Exam Questions Fin 652 – Exam Questions</p> <p>LO 3 Fin 657 – “Real” Financial Plan (Completed Spring 07) Fin 652 - Exam Questions</p> <p>LO 4 Acctg 503 Exam Questions</p> <p>LO 5 Fin 705 Exam Questions</p> <p>LO 6 Fin 523 Exam Questions</p>